



COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON 25

B-71067

DEC 9 1947

N. A. Olmstead, Authorized Certifying Officer,  
Bureau of Animal Industry,  
Department of Agriculture.

Dear Mr. Olmstead:

Reference is made to your letter dated November 6, 1947, T-080, forwarding Bureau vouchers No. 389405 in the amount of \$1,091.91 and No. 389406 in the amount of \$441.96, in favor of the Bureau of Plant Industry, Department of Agriculture, covering services rendered to the Bureau of Animal Industry in the supervision of construction, respectively, of the addition to the Main Zoological Laboratory and of the Pathological Laboratory, Beltsville, Maryland, during the period June 29 to September 6, 1947, pursuant to reimbursable agreement between the two Bureaus consisting of letters dated June 24 and July 3, 1946. You request advice as to whether the amounts of the vouchers may be charged to the limitation accounts "1273620.022" and "1273620.021", respectively, or whether only the actual costs of construction may be charged to such accounts and if the latter, whether the charges are for payment from the limitation ".020" of the 1947 appropriation for diseases of animals or whether they are for payment from the appropriation for the fiscal year current at the time of performance of the service. You request further advice, if it be held that the

expenses are chargeable to the appropriation for the fiscal year current at the time of rendition of the service, whether charges for personal services for June 29 and 30, 1947, the first two days of the pay period ending July 12, 1947, may be paid from either the 1947 or 1948 appropriation.

The limitation accounts "1273620.020", "1273620.021" and "1273620.022" were established pursuant to the act of June 22, 1946, 60 Stat. 270, 277, which appropriated the sum of \$885,000 for scientific investigations of diseases of animals and necessary expenses of investigations of tuberculin serums, antitoxins and analogous products, during the fiscal year 1947, of which amount not to exceed \$30,000 was made available for the construction of a building to be used in conducting investigations of pneumoencephalitis in poultry and not to exceed \$75,000 was made available for enlarging the Zoological Laboratory at the Agricultural Research Center, Beltsville, Maryland. The limitation accounts for recording transactions involving the buildings in question were set up as follows:

1273620.020 - Diseases of animals, all other expenses	\$780,000
1273620.021 - Diseases of animals, construction of building for use in investigations of pneumoencephalitis in poultry, not to exceed	30,000
1273620.022 - Diseases of animals, enlarging zoological laboratory building at Agricultural Research Center, not to exceed	75,000

The letters of June 24 and July 3, 1946, under which the Bureau of Plant Industry undertook the preparation of plans for the two buildings and the supervision of their construction for the Bureau of Animal Industry, clearly contemplate that expenses of preparation of plans, for the supervision of construction, and the actual costs of the physical construction were to be paid out of the \$75,000 and \$30,000 limitations established by Congress. Thus, concerning the services to be rendered under the reimbursable agreement, namely, the drawing of plans and supervision of construction, it is stated in the letter of June 24, 1946, as follows:

"\* \* \* These services would be on a reimbursable basis, and in planning the two buildings it will be necessary to take into consideration not only the expected cost of construction by a builder, but also the cost of the services to be rendered by your Bureau. The total cost should not exceed the sums provided in the Bill."

Nothing appears in the reported hearings on the bill before either the House or Senate committees which would specifically indicate whether the amounts made available for construction of the building were to be used only for the actual cost of construction but when Congress appropriates funds for the construction of a building and does not otherwise appropriate funds for plans or supervision of its construction, it is not to be presumed that its intention was that the building be erected without either plans or supervision, but that the expenses of planning and superintendence being reasonably necessary and incident to the construction they are for payment out of the funds made available for such construction. See 1 Comp. Dec. 517; 15 Comp. Gen. 389; 11 id. 313.

With regard to the fiscal year chargeable with the expenditure, the general rule is that expenditures are chargeable to the appropriation for the fiscal year in which the obligation is incurred, that is, the fiscal year in which the contract or agreement was entered into, and this is so even though the amount may not then be certain or ascertainable. 18 Comp. Gen. 363. Title 31, U. S. Code 686, authorizing the procurement of services or supplies between bureaus or agencies, provides, in section (c) thereof, that orders placed with other bureaus shall be considered as obligations upon appropriations in the same manner as orders or contracts placed with private contractors. Since the obligation was incurred at the time the reimbursable agreement was entered into, that is, during the fiscal year 1947, and the appropriations for construction are properly chargeable with the cost of planning and superintendence of construction, it follows that vouchers Nos. 389405 and 389406 are chargeable to the limitation appropriation accounts "1273620.022" and "1273620.021", respectively. Your first question is answered accordingly, making it unnecessary to answer the remaining queries.

The enclosures accompanying your letter of November 6, 1947, are returned herewith.

Respectfully,

W. L. R. [Signature]

Comptroller General  
of the United States.

Enclosures.